

**54-17-602 Target amount of qualifying electricity -- Renewable energy certificate -- Cost-effectiveness -- Cooperatives.**

- (1)
  - (a) To the extent that it is cost effective to do so, beginning in 2025 the annual retail electric sales in this state of each electrical corporation shall consist of qualifying electricity or renewable energy certificates in an amount equal to at least 20% of adjusted retail electric sales.
  - (b) The amount under Subsection (1)(a) is computed based upon adjusted retail electric sales for the calendar year commencing 36 months before the first day of the year for which the target calculated under Subsection (1)(a) applies.
  - (c) Notwithstanding Subsections (1)(a) and (b), an increase in the annual target from one year to the next may not exceed the greater of:
    - (i) 17,500 megawatt-hours; or
    - (ii) 20% of the prior year's amount under Subsections (1)(a) and (b).
- (2)
  - (a) Cost-effectiveness under Subsection (1) for other than a cooperative association is determined in comparison to other viable resource options using the criteria provided by Subsection 54-17-201(2)(c)(ii).
  - (b) For an electrical corporation that is a cooperative association, cost-effectiveness is determined using criteria applicable to the cooperative association's acquisition of a significant energy resource established by the cooperative association's board of directors.
- (3) This section does not require an electrical corporation to:
  - (a) substitute qualifying electricity for electricity from a generation source owned or contractually committed, or from a contractual commitment for a power purchase;
  - (b) enter into any additional electric sales commitment or any other arrangement for the sale or other disposition of electricity that is not already, or would not be, entered into by the electrical corporation; or
  - (c) acquire qualifying electricity in excess of its adjusted retail electric sales.
- (4) For the purpose of Subsection (1), an electrical corporation may combine the following:
  - (a) qualifying electricity from a renewable energy source owned by the electrical corporation;
  - (b) qualifying electricity acquired by the electrical corporation through trade, power purchase, or other transfer; and
  - (c) a bundled or unbundled renewable energy certificate, including a banked renewable energy certificate.
- (5) For an electrical corporation whose rates the commission regulates, the following rules concerning renewable energy certificates apply:
  - (a) a banked renewable energy certificate with an older issuance date shall be used before any other banked renewable energy certificate issued at a later date is used; and
  - (b) the total of all unbundled renewable energy certificates, including unbundled banked renewable energy certificates, may not exceed 20% of the amount of the annual target provided for in Subsection (1).
- (6) An electrical corporation that is a cooperative association may count towards Subsection (1) any of the following:
  - (a) electric production allocated to this state from hydroelectric facilities becoming operational after December 31, 2007 if the facilities are located in any state in which the cooperative association, or a generation and transmission cooperative with which the cooperative association has a contract, provides electric service;

- (b) qualifying electricity generated or acquired or renewable energy certificates acquired for a program that permits a retail customer to voluntarily contribute to a renewable energy source; and
  - (c) notwithstanding Subsection 54-17-601(7), an unbundled renewable energy certificate purchased from a renewable energy source located outside the geographic boundary of the Western Electricity Coordinating Council if the electricity on which the unbundled renewable energy certificate is based would be considered qualifying electricity if the renewable energy source was located within the geographic boundary of the Western Electricity Coordinating Council.
- (7) The use of the renewable attributes associated with qualifying electricity to satisfy any federal renewable energy requirement does not preclude the electricity from being qualifying electricity for the purpose of this chapter.

Enacted by Chapter 374, 2008 General Session